

SENATE BILL REPORT

SB 6257

As Reported By Senate Committee On:
Natural Resources, Parks & Shorelines, February 6, 2002
Ways & Means, February 12, 2002

Title: An act relating to contract harvesting.

Brief Description: Establishing contract harvesting of timber on state trust lands.

Sponsors: Senators Jacobsen, Oke and Rasmussen; by request of Department of Natural Resources.

Brief History:

Committee Activity: Natural Resources, Parks & Shorelines: 1/21/02, 2/6/02 [DPS].
Ways & Means: 2/11/02, 2/12/02 [DPS (NPS)].

SENATE COMMITTEE ON NATURAL RESOURCES, PARKS & SHORELINES

Majority Report: That Substitute Senate Bill No. 6257 be substituted therefor, and the substitute bill do pass.

Signed by Senators Jacobsen, Chair; Poulsen, Vice Chair; Hargrove, McDonald, Morton, Oke, Snyder, Spanel and Stevens.

Staff: Vic Moon (786-7469)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 6257 as recommended by Committee on Natural Resources, Parks & Shorelines be substituted therefor, and the substitute bill do pass.

Signed by Senators Brown, Chair; Regala, Vice Chair; Fairley, Vice Chair; Fraser, Hewitt, Honeyford, Kline, Kohl-Welles, Long, Parlette, Poulsen, Rasmussen, Rossi, B. Sheldon, Snyder, Spanel, Thibaudeau, Winsley and Zarelli.

Staff: Richard Ramsey (786-7412)

Background: The products from 2.1 million acres of forest land managed by the Department of Natural Resources are generally sold by auction and the bidder for the timber provides for the logging, transport, and disposition of the wood. At the present time, the Department of Natural Resources does not have authority to contract harvesting directly for the sale of timber off state forest lands. The current system for distributing money received from the state trust timber sales does not allow the Department of Natural Resources the ability to contract out the harvest of timber. The Department of Natural Resources would, if department contract logging is authorized, sell different types of log sorts directly to log buyers.

Summary of Substitute Bill: A revolving fund for contract harvest is established in the State Treasurer's Office. The two state land management accounts that the Department of Natural Resources currently manages, which are the forest development account and the resource management cost account, must make an initial contribution to the new contract harvest account. Expenses for contract harvesting sales are paid from the contract harvesting revolving account and the receipts from contract harvesting replenish that account. The net proceeds from each harvest are distributed to the trust beneficiaries and to the management accounts. The department is given authority to contract for the removal of timber from state lands. Appeal procedures are added to allow contract loggers to have a hearing if they are denied access to the approved contract logger list. Only 10 percent of the annual volume of timber may be harvested by this system. Okanogan, Ferry, Stevens and Pend Oreille counties are excluded from the department contract logging program.

Substitute Bill Compared to Original Bill: The authority provisions are clarified and the program is limited.

Appropriation: \$250,000 from the Resource Management Cost Account, and \$250,000 from the Forest Development Account to the new Contract Logging Revolving Account.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For (Natural Resources, Parks & Shorelines): This will allow the Department of Natural Resources to contract directly for log removal and will increase the income to the trusts. It will only be used on a limited basis and can provide environmental protection of areas which are difficult to log. (Concerns) The effect on the industry needs to be considered (addressed in the substitute).

Testimony Against (Natural Resources, Parks & Shorelines): None.

Testified (Natural Resources, Parks & Shorelines): Bill Pickell, contract loggers (pro); Howard Thronson, Department of Natural Resources (pro); Josh Baldi, Environmental Council (pro); Craig Voegele, Boise Cascade (concerns).

Testimony For (Ways & Means): Contract harvesting can generate a higher return to beneficiaries, enables the DNR to better control operations and employ alternative management strategies under the complexity of the department's habitat conservation plan. Logging is a good use of trust lands and contract harvesting allows for better environmental control.

Testimony Against (Ways & Means): None.

Testified (Ways & Means): Bruce Mackey, Department of Natural Resources (pro); Josh Baldi, Washington Environmental Council (pro).